

**1999 ANNUAL REPORT ON
CONSUMER ASSISTANCE**



**MAINE PUBLIC UTILITIES COMMISSION
CONSUMER ASSISTANCE DIVISION**

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I. EXECUTIVE SUMMARY

The Consumer Assistance Division (CAD) assisted a total of 14,723 customers in 1999, the largest number in CAD history. This is a 63% increase over the 9,021 customers assisted in 1998, a 50% increase over the 9,789 customers assisted in 1997, and an 89% increase over the 7,778 customers assisted in 1996. The CAD answered over 95% of all customer calls received during 1999 live, and resolved 44% more cases in 1999 (1,232) than in 1998 (853).

The 14,723 contacts received in 1999 included 12,799 requests for information, an increase of 72% over the 7,427 requests received in 1998; 1,464 complaints, an increase of 72% over the 853 received in 1998; and 460 requests for permission to disconnect electric and gas customers during the 1998-99 winter period, a 74% decrease compared to the 1,779 received 1996-97.

In addition, the CAD received 5 requests for exemption from Commission rules and issued 92 decisions that abated over \$104,000 to utility customers.

II. YEAR IN REVIEW

Electric Restructuring

The Commission stepped up the implementation of its electric restructuring consumer education program during 1999. The program, launched in 1998, satisfies both a Legislative mandate that the PUC provide education regarding customer's ability to choose an electricity provider and the Commission's own objective to inform consumers about upcoming changes in the electric industry before they have the opportunity to make decisions regarding their electricity supply.

The first phase of the program provided information to residential, small commercial and municipal consumers. It was designed to increase consumer awareness of electric choice, allow customers to make informed decisions regarding their electric supplier, and provide an objective and credible source of information for consumer questions. The program used a variety of complementary educational methods in an integrated fashion, to reach the broadest possible audiences.

The second phase of the program, focused on itemized billing. In January 1999, all transmission and distribution utilities in the State unbundled their bills to show an electricity supply component, as well as an electricity delivery component. This was done to familiarize consumers with seeing two components of their electric bill; a supply component that they could shop for (as of March 1, 2000) and a delivery charge. The second phase also included the release of a new brochure on Electric Choice, the creation of an Electric Choice

information line and website for consumers, a press briefing and other media relations activity, and informational meetings with community leaders.

The Commission launched several additional components of the Electric Choice education program in the autumn of 1999. The rollout of these components was intended to coincide with heightened consumer interest as Electric Choice neared and with the announcement of Standard Offer rates.

In November, the PUC began advertising on television, radio and in newspapers to reach segments of the population that may have been missed during phase I and II. In addition, the Commission mailed a copy of the Commissions "Power Handbook" on electric restructuring to every residential and small commercial customer in the state. Several brochures addressing different aspects of Electric Choice were also developed for consumers, including brochures on small business issues, aggregation and renewable power sources. These brochures, were mailed out to each consumer who called the CAD with questions on electric restructuring. Outreach activities by selected community-based organizations began in December. The PUC electric choice Speakers' Bureau continued to speak to groups across the state, giving 89 presentations about electric restructuring, and reached nearly 2,000 customers. In addition, the CAD answered 966 calls from Maine consumers with questions regarding electric restructuring. In total, the commission directly interacted with nearly 3,000 customers between answering customer calls and conducting speaking engagements.

Maine Telephone Education Fund

Summary:

The Maine Telecommunications Education Fund "MTEF," in conjunction with the Commission and the OPA, initiated a plan in 1999 to increase the penetration rate for the Lifeline and Link-Up programs in the State of Maine. The MTEF is non-profit fund established to enhance consumer understanding of telephone service and equipment options and the changing nature of telephone service in general.

Since 1985, the Federal Communications Commission (FCC), in conjunction with the Maine Commission and local telephone companies, has administered the Lifeline and Link-up programs. The Lifeline program reduces a qualifying customer's monthly basic telephone charges up to \$10.50 while the Link-up program provides federal support to reduce eligible customers' initial connection charges to \$10.00 (from \$45.00 for Bell Atlantic customers).

The State had been experiencing a 60% penetration rate for the Lifeline program (65,500 customers) since at least 1995. To reach the remaining 40%, the MTEF sent a personalized letter to individuals in the State known to be

eligible for the two programs. People eligible to receive TANF, food stamps, SSI (disability), Medicaid, and HEAP benefits are eligible to receive Lifeline and Link-Up. Approximately 134,000 personalized letters were sent beginning the last week of October and ending the first week in December. Each citizen in the State of Maine eligible to receive Lifeline and Link-Up benefits should have received a letter.

As a result of the mailing, the number of people participating in the Lifeline program in Maine increased by 17% (11,402 new participants) and the penetration rate for the Lifeline program increased from 60% to 71% from October 1999 through April 2000. Participation in the Link-Up program increased during this same time period by 39%, resulting in 2,722 people receiving phone service who did not have service prior to the mailing. Considering the fact that the participation rate for the Lifeline program had increased by only 1.9% from January of 1995 to September of 1999 (the month prior to the mailing), this is a significant increase. In addition, this is one of the highest participation rates for these two programs in the country. Maine had the second highest participation rate for telephone service in 1999 (97.2%) in the nation. Only North Dakota had a higher penetration rate and that was just 1/10 of a percent higher than Maine.

Results:

Link-Up:

The table below shows a 48% increase in October (when the first batch of letters were mailed), a 90% increase in November, and a 28% increase in both December and January, a 17% increase in February and a 19% increase in March in the number of new participants in the Link-Up program over the monthly average for 1999 (prior to the mailing). The cumulative increase attributable to the mailing for new participants for the six-month period was 39% over the expected average for that time period, or 2,722 new participants. This figure is significant because it represents the number of customers who signed-up for service as new customers (not simply moving from one location to another). The cumulative increase for participants, including moves, was 19%.

- Avg. monthly # of new Link-Up participants prior to mailing was 1,178
- Avg. monthly # of Link-Up participants total prior to mailing (including people who moved) was 1,894

Month	Total # of new participants	# of new part. over monthly avg.	% increase over monthly avg.	# of part. total (incl. moves)	Cumulative total % inc. over monthly avg.
October	1,743	565	48%	2,367	25%
November	2,245	1,067	90%	2,968	57%
December	1,511	333	28%	2,066	9%
January	1,509	331	28%	2,058	9%
February	1,381	203	17%	1,943	2%
March	1,401	223	19%	2,135	13%
Cumulative for 6 months	9,790	2,722*	39%*	13,537	19%*

****Increase attributable to the MTEF effort.***

Lifeline:

Figures for the Lifeline program show a 17% increase (11,402) in the number of participants between September 1999 and April 2000. The Lifeline program had experienced a 2.3% increase in participants between Jan. and Sept. 1999, for an average monthly increase of .25%. This would indicate that at least 15.25% of the increase was attributable to the MTEF effort.

<u>Month</u>	<u># of Lifeline Participants</u>
January ('95)	64,250*
September	65,489 (before mailing)
October	70,209 (after mailing)
November	70,300 (")
December	71,524 (")
January	72,611 (.....".....)
February	73,625 (")
March	74,459 (")
April	76,891 (")

** This figure was extrapolated using information from Bell Atlantic and assuming a consistent proportion of eligible customers between Bell Atlantic and the Independent Telephone Companies.*

Discussion:

The success of the MTEF mailing can be evaluated by examining the penetration and participation rates of the Lifeline program over time. Since January of 1995, there has been little change in the participation rate for the Lifeline program. According to figures obtained from Bell Atlantic, the number of participants in the Lifeline program increased by only 1.9% from January of 1995 (the earliest figures I could obtain) and September of 1999 (the last month before the mailing). This demonstrates that participation in then Lifeline program has been stagnant since at least January of 1995.¹ This also demonstrates the success of the MTEF effort. The 14% increase in the number of Lifeline participants and the 2,722 additional people with telephone service after the mailing can be directly attributed to this effort.

The lack of change in the participation rate for the Lifeline program over the past five years (prior to the mailing), as well as the significant increase in participation after the MTEF effort, puts into question the effectiveness of the telephone companies' outreach efforts. BA and the Independents both have identical penetration rates (69%) for the Lifeline program.² This seems to indicate that the effectiveness of outreach activities (or the lack thereof) is similar between the independents and BA.

Eligible Telecommunications Carriers (ETCs) must support efforts to increase customer awareness of the Lifeline and Link-Up programs pursuant to Chapter 294 of the Commission's rules. These efforts may be undertaken by or on behalf of the individual ETC or a consortium of ETCs. Regardless of the body performing the outreach, the individual ETC is responsible for the efficacy of the effort. Each ETC in the state must file a report detailing its outreach efforts with the Director of the CAD by March of this year. Review of these reports should provide insight into the outreach efforts of the ETCs and may provide sufficient information to determine if additional outreach by the carriers is necessary.

The CAD has received over 5,500 calls from customers who received a letter or flyer inquiring about the Lifeline and Link-Up programs. Many of these customers had been disconnected in the past for non-payment of toll charges and believed that they could not receive telephone service until they paid off the toll arrearages. Some customers who called had never had telephone service, or at least not in their name. The CAD has assisted these customers by helping them obtain service, by signing them up for the two programs, and by

¹ Further analysis of the number of people eligible to receive Lifeline in Maine is necessary to evaluate the change in the penetration rate from 1995 to the present.

² Based on the number of eligible access lines (pursuant to Barbara Alexander's figures) and the number of Lifeline participants.

establishing affordable payment arrangements for outstanding basic service charges. If not for this mailing, many of these customers would have continued to go without phone service.

III. Consumer Assistance Services

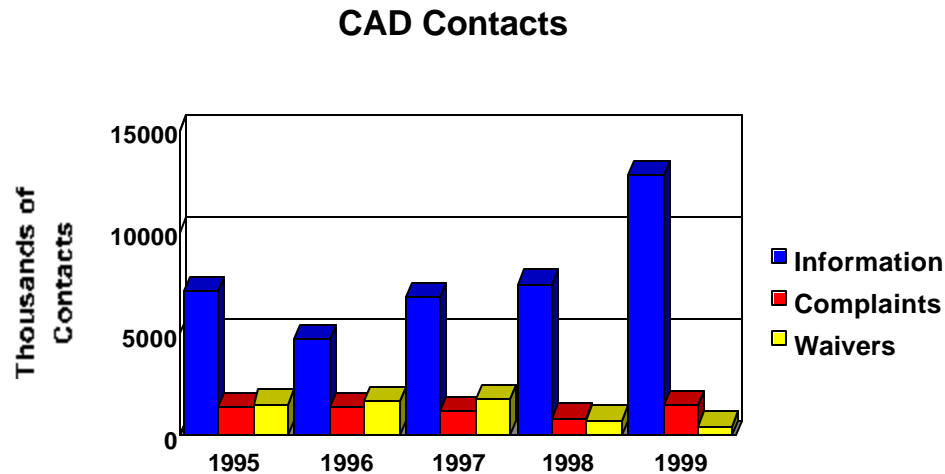
The Consumer Assistance Division (CAD) is the Commission's primary link with utility customers and is charged with ensuring that customers, utilities, and the public receive fair and equitable treatment through education, complaint resolution, and evaluation of utility compliance with consumer protection rules. As part of this mission, the CAD is responsible for educating the public and utilities about consumer rights and responsibilities and other utility-related consumer issues, for investigating and resolving disputes between consumers and utilities, and evaluating utility compliance with State statutes and Commission rules.

Reorganization of the Consumer Assistance Division

The Consumer Assistance Division assisted more customers in 1999 than in any previous year. This was the result of the culmination of an internal reorganization process that began in 1997 and was completed in 1999. This process involved: 1) the creation of a state-of-the-art call center in which five CAD Staff are available to take calls live from customers between 8:00 am and 5:00 pm. daily (this is a significant change from a few years ago when the majority of customer calls were taken by a machine and returned by CAD Staff at a later time); 2) the development of a new computer system which allows CAD staff to enter customer information as they speak with the customer and to retrieve customer information quickly when a customer calls; 3) improved use of the CAD's Automated Call Distribution System (ACD), allowing it to be used to its maximum potential; 4) the redesign of the CAD work space to a "call center" format with the CAD Staff's work stations all located in the same area so that they can easily communicate with each other; 5) the increased use of mediation in the complaint handling process, with the CAD Staff acting as mediators during three-way calls involving the customer, utility and CAD Staff (these mediations have resulted in many complaints being immediately resolved over the phone as opposed to weeks or months pursuant to the old paper trail process); and 6) the construction of a private meeting room for walk-in customers with a computer terminal and telephone that allows CAD Staff access to the complaint database and contact the utilities while meeting with customers. Together, all of these changes have significantly improved the way CAD handles customer disputes and has enabled CAD Staff to handle more disputes more efficiently than ever before. The new structure has also significantly decreased the time it takes to resolve customer complaints.

Consumer Contacts. The CAD experienced the most significant increase (63%) in customer contacts in its history in 1999, as demonstrated in Figure I. The 14,723 total contacts in 1999 include informational requests from rate payers, mediation requests by residences and businesses that have disputes with utilities, and requests for authorization to disconnect customers who are experiencing payment problems during the winter.

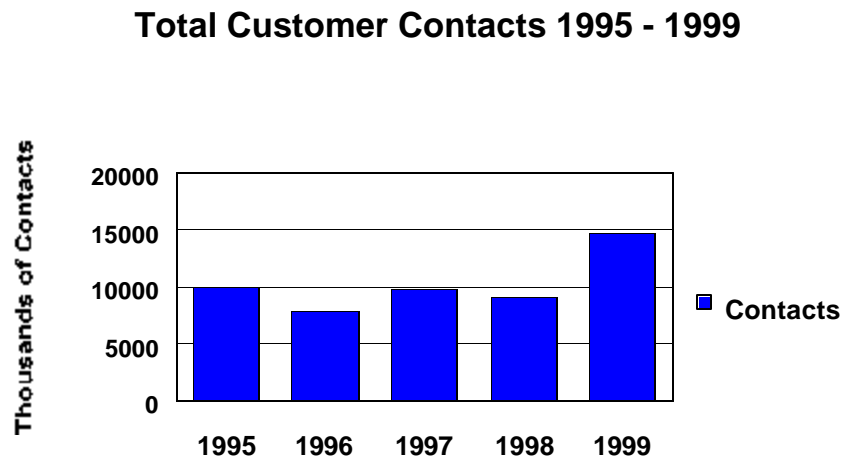
Figure I



Informational Contacts. These contacts include requests for information about recent Commission decisions and their impact on ratepayers, questions about utility billing practices, requests for information about ratepayer rights and responsibilities, requests for guidance on resolving disputes with utilities, and information about sources of assistance for low-income customers who are having trouble paying their bills.

As seen in Figure II, there is an increasing trend of customer contacts over the past four years. The CAD handled 14,723 customer contacts in 1999 a 63% increase over the 9,021 contacts received in 1998, a 50% increase over the 9,789 contacts handled in 1997, and a 89% increase over the 7,778 contacts handled in 1996. This trend is attributable primarily to the reorganization of the CAD division discussed previously, but is also related to the changes and uncertainties for consumers associated with increasing competition among the utilities serving Maine rate payers.

Figure II



Consumer Complaints. The Consumer Assistance Division defines a complaint as a dispute between a utility and a customer where the customer has attempted to resolve the dispute with the utility without success. Only after the consumer and utility cannot reach a mutually agreeable resolution of an issue will the Consumer Assistance Division accept a complaint and mediate the dispute. Consumer complaints do not necessarily indicate that a utility has done something wrong in serving a customer. In some cases, customers file complaints, even though the utility has made a reasonable attempt to resolve the problem. The Consumer Assistance Division will still attempt to mediate these cases, but if reasonable attempts were made by the utility to resolve the problem, and the utility has followed its Terms and Conditions and Commission rules, the Consumer Assistance Division will find in favor of the utility and not change the terms of the resolution originally proposed by the utility.

In 1999, consumer complaints against utilities increased by 72% over the number of complaints filed in 1998 and increased by 19% over the number of complaints filed in 1997. These increases were primarily attributable to the reorganization of CAD as well as the live call complaint resolution process described earlier in this report. The purpose of the new complaint resolution process is to decrease the resolution time for consumer complaints and to increase the number of customers the CAD is able to assist. The success of the process is critical due to the increasing number of customer calls to the CAD. Many of the disputes that would have been accepted as complaints under the previous complaint resolution process are resolved informally and immediately over the phone under the new complaint resolution process.

As seen in Figure III, the vast majority of complaints filed in 1999 (approximately 94%) continued to be against electric and phone utilities, with Maine's electric utilities generating 60% of the total number of complaints filed and telephone utilities generating 34% of the total number of complaints filed.

Complaints closed in 1999. Sixty percent of all complaints closed in 1999, as seen in Figure IV, were related to actual or threatened disconnection, 20% were related to service problems, and 17% were related to billing problems.

Figure III

1999 Complaints Filed By Utility Type

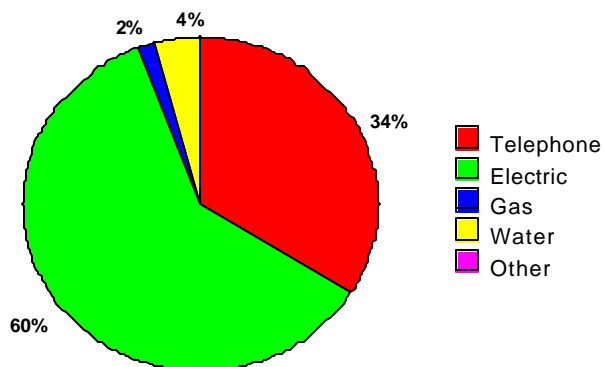
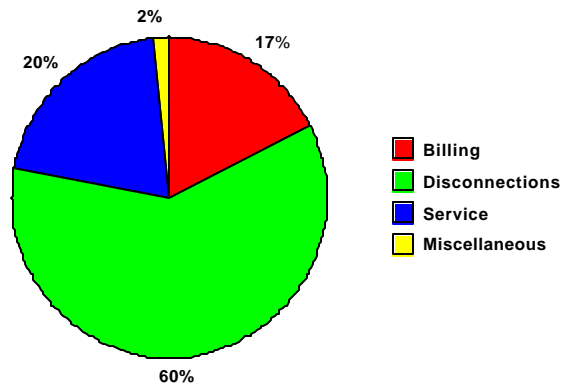


Figure IV

1999 Closed Complaints By Complaint Category



Appeals of CAD Decisions. Consumers appealed nine CAD decisions to the Commission in 1999, down from 21 appeals filed in 1998. This is a 57% decrease from the number of appeals filed in 1998 and a decrease of 80% from the number of 1997. The reasons for the reduction in appeals are added attention to the quality of case review and decision letters, a new internal review process for appeals, the new mediation process, and added attention to customer service by the CAD Specialists. Appeals of CAD decisions are reviewed by the Commission's Legal Division and are decided by the Commission.

Requests for winter disconnection. The CAD received 460 requests from utilities to disconnect customers from electric or gas service during the winter of 1998-99. This is a 74% decrease in requests received over the winter of 1997-98. The decrease was due to CMP's use of employees who were experienced with the winter disconnection rule and CMP's own internal process for submitting requests to disconnect. Because these employees were inexperienced with the winter disconnection process, requests for permission to disconnect were not received on many overdue accounts. Of the 1998-99 winter requests, 19.6% were granted and 80.4% were denied.

The majority of the requests were denied because the CAD established a payment arrangement for the customer pursuant to the winter disconnection rule, thereby avoiding the need for disconnection.

	TOTAL RECEIVED	DENIED	GRANTED
Central Maine Power Company	382	310	72
Eastern Maine Electric Cooperative	57	42	15
Madison Electric Works	6	4	2
Matinicus Plantation Electric Co-op	10	9	1
Northern Utilities	5	5	0
TOTALS	460	370	90

Utility Compliance Review

Abatelements. As a result of complaint investigations completed in 1999, the Division issued 92 decisions ordering more than \$104,373.00 in abatements to consumers.

Violations. The CAD issued 14 citations to utilities for violations of PUC consumer protection rules in 1999 (see Table #1), which is slightly lower than the 17 citations issued in 1998.

Table #1

<u>Company</u>	<u># of Violations</u>
Bell Atlantic	1
Sprint Spectrum LP	1
Central Maine Power Company	7
Bangor Hydro-Electric Company	2
Gardiner Water District	2
Auburn Water District	<u>1</u>
	14 Total

IV. ENERGY AFFORDABILITY PROGRAMS

Electric:

OVERVIEW/PROGRAM HISTORY

Maine electric, low-income programs began in 1991 as a result of state legislation passed in 1990. Maine's investor-owned utilities have these programs; consumer-owned utilities do not. These programs are expected to continue until they are redesigned as part of the transition to a competitive environment.

The Commission allocates .5% of jurisdictional revenues to be used toward the low-income programs. The programs and revenues are reviewed annually, and if the program costs are found to exceed .5%, the Commission will consider changes to reduce benefits or eligibility. If the program costs are less than .5%, steps are taken to review outreach and other factors, which may be causing a reduced participation level.

PROGRAM: Income-Based "Fixed Credit"
Participating Utilities: Central Maine Power Company

Assistance Offered by Program

A variation on the classic percentage of income payment program, this program provides a percentage of income payment plan to eligible low-income households based on income and usage for the previous year. The annual benefit is calculated by multiplying the anticipated annual cost (based on the previous year's use) by a percentage of the customer's annual income and subtracting that amount from the annual cost. The result is the annual benefit, which is divided into 12 equal payments (rounded to whole dollars) and applied monthly as a credit to the customer's account. The percentage of income is determined as follows:

<i>Annual kWh Use</i>	<i>Customers BELOW 75% of Federal Poverty Guidelines</i>	<i>Customers ABOVE 75% of Federal Poverty Guidelines</i>
5,000 or Less	6%	7.1%
5,001 through 13,999	Use Formula*	Use Formula*
14,000 or More	11%	12.1%

Formula is:

$$\text{Annual kWh use} - 5000/9000 \times 5\% + 6\% \text{ (or } 7.1\% \text{ if above } 75\% \text{ FPG)} = \% \text{ of income}$$

Eligibility and Outreach

Eligibility for this program is determined by the Community Action Program (CAP) agencies that administer LIHEAP assistance. Customers who qualify for HEAP and do not receive a housing subsidy, which limits the household's total housing costs to a fixed percentage of income, are eligible for this program. A 12-month payment arrangement is required for customers owing an overdue amount at the time they are enrolled. The payment arrangement is limited to no more than double the percentage of income. Amounts owed above that amount must be deferred by the utility during the program period. Participating customers who own and occupy their residence may designate all or a portion of their annual credit to finance usage-reduction measures

Other Program Information:

According to the company's 4th quarter report, there were 7,933 participants in the 1998-1999 Program Year.

PROGRAM: Straight kWh Discount

Participating Utilities: Bangor Hydro-Electric Company

Assistance Offered by Program

A discounted per-kWh rate is provided that varies according to low-income households' income (the lower the income, the higher the discount). Rates under this program are based on the % of Federal Poverty Guidelines under which the customers' incomes fall.

Bangor Hydro-Electric Company also has a Residential Space Heating Service Price available for customers who heat with electricity. Qualifying low-income customers are placed on this heat rate during the heating season of October through April. because this rate is lower than those for the low-income program. This is a straight kWh rate and does not vary by customer income.

Eligibility & Outreach

HEAP-eligible customers are eligible for the low-income rate. Customers receiving substantial housing subsidies are not eligible.

Other Program Information

According to the company's 4th quarter report, there were 5,399 customers enrolled in the rate plan for the 1998-1999 Program Year.

Maine Public Service Company

Program: Power Pact

Assistance Offered by Program

Qualifying low-income households receive a credit on their spring (May) electric bill if the customer pays the smaller of each monthly bill or an equal monthly amount negotiated for a payment plan during the months of November through March. The amount of the credit varies depending on the percentage of Federal Poverty Guidelines under which the customers' incomes fall.

Eligibility & Outreach

Customers certified as HEAP-eligible who use electricity as their primary heating source or use an electric water heater are eligible for the program.

Other Program Information

According to the company's fourth quarter report, there were 1,934 customers enrolled in the rate plan for the 1997-1998 Program Year.

For more information, contact:

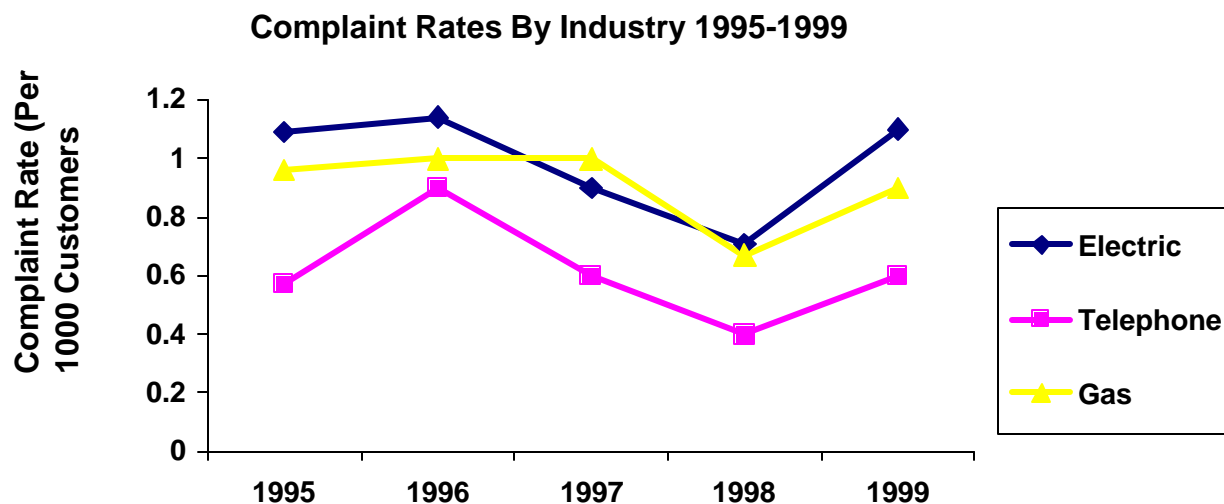
Betty Bero, Maine PUC (207) 287-3831

V. COMPANY COMPLAINT PROFILES

This section provides profiles of the performance of Maine utilities with respect to consumer complaints closed. Closed complaint figures are used to evaluate utility performance because a closed complaint represents a final resolution to that case.

This section is organized by industry type. Both the major utilities and any smaller ones with a significant number of consumer complaints are included. See the Appendix for a compilation of all utilities and the number of complaints that were closed in 1999. See Figure V for details regarding industry complaint rates.

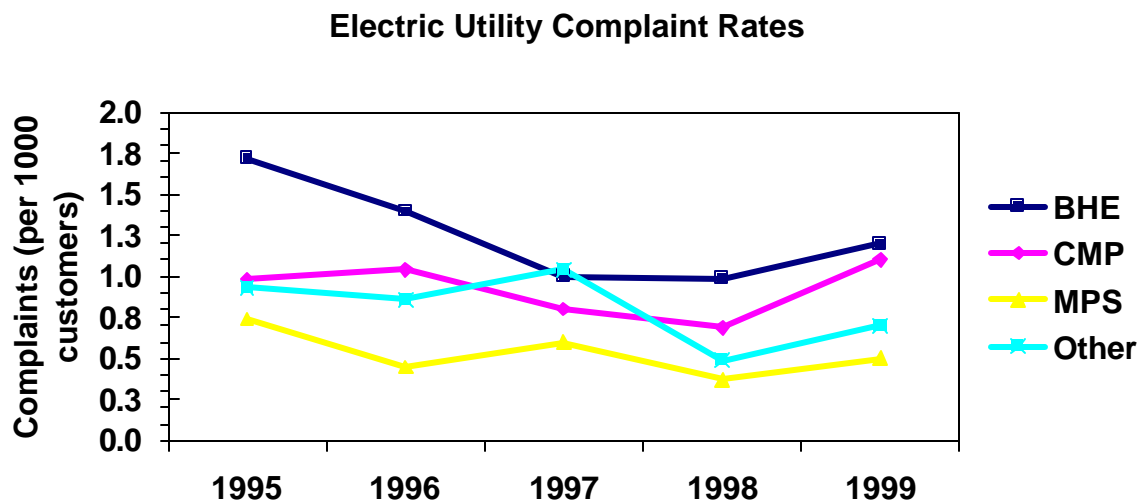
Figure V



ELECTRIC INDUSTRY

The CAD closed 742 complaints against electric utilities in 1999, up 51% from the 491 complaints closed against electric utilities in 1998. This increase is attributable primarily to the CAD's new structure and complaint resolution process described earlier in this report. The increase in complaints closed in 1999 is also reflected in an increase in the complaint rate trend for the electric industry in 1999. This increase marks the end of a decreasing complaint rate in the electric industry between 1996 and 1998, as demonstrated in Figure V. The increase in the complaint rate for the electric industry can be partly attributed to the same factors that led to the increase in closed complaints for 1999. See Figure VI for individual electric utilities' complaint rates.

Figure VI

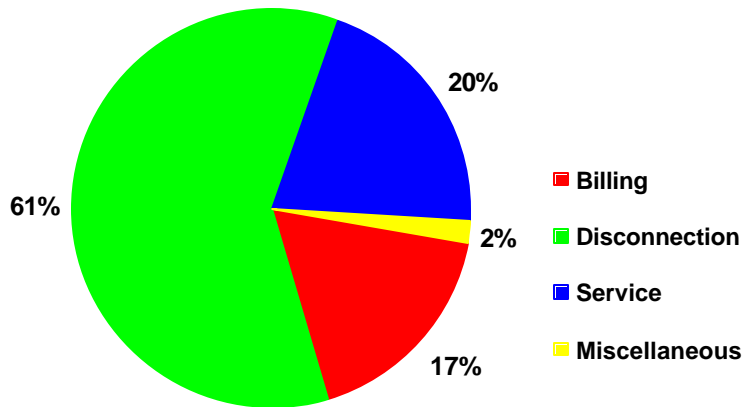


Central Maine Power Company

Central Maine Power had 580 complaints closed against it in 1999. This was a 61% increase from the number of complaints closed against CMP in 1998 (361). As shown in Figure VII, of the complaints closed in 1999: 77% were for disconnection of service, this being slightly higher than the 70% for disconnection's in 1998; 15% were for billing complaints, a decrease compared to the percentage of billing complaints received in 1998 (21%); and 7% were for service complaints, slightly lower than the percentage of service complaints received in 1998 (8%). Although the percentage distribution of the types of complaints received only varied by a few percentage points, the number of complaints in each of the complaint categories increased significantly in 1999 compared to 1998. This indicates that there was not any one area of CMP's service that customer's were particularly displeased with. Rather, customer complaints increased proportionally in 1999 for each of the different complaint categories. This significant increase in complaints is also shown by CMP's complaint rate, which increased to 1.1 complaint per 1,000 in 1999, over the rate of 0.69 in 1998. The changes in CAD's complaint handling process which enabled CAD to handle and resolve more customer complaints, as well as the concerted effort by CAD to reduce its complaint backlog prior to the end of 1999, had an impact on the increased number of closed CMP complaints in 1999.

Figure VII

1999 Central Maine Power Company Closed Complaints by Category



Bangor Hydro-Electric Company

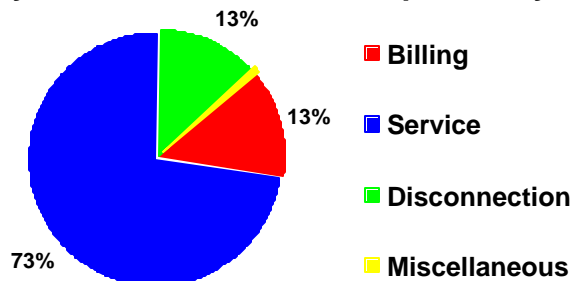
Bangor-Hydro had 126 complaints closed against it in 1999. This was a 21% increase in the number of complaints closed compared to 1998 (104).

As seen in Figure VIII, 73% of the complaints closed against Bangor Hydro were related to disconnections or pending disconnections, up 8% over 1998 (65%); 12.7% were for billing complaints, down 5.3% compared to 1998 (20%); and 13.5% were for service complaints, down .5% compared to 1998 (14%). As with CMP, although the percentage distribution of the types of complaints received varied only by a few percentage points, the number of complaints in most of the complaint categories increased significantly in 1999 compared to 1998. As with CMP, the changes in CAD's complaint handling process, which enabled CAD to handle and resolve more customer complaints, as well as the concerted effort by CAD to reduce its complaint backlog prior to the end of the 1999, had an impact on the increased number of closed CMP complaints in 1999.

Complaint statistics for the remaining electric utilities are summarized in the Appendix.

Figure VIII

1999 Bangor Hydro Electric Closed Complaints by Category

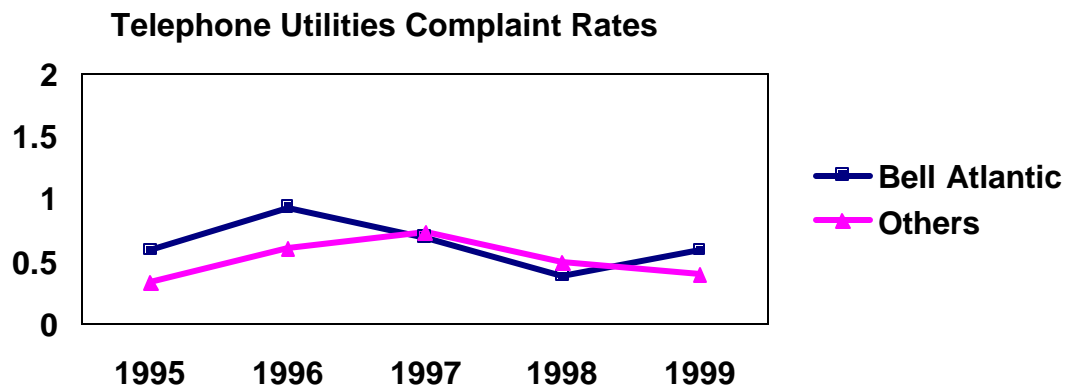


TELEPHONE INDUSTRY

The telephone utilities as a group had 419 complaints closed against them during 1999. This is a 54% increase over the 272 consumer complaints closed in 1998. This increase is primarily attributable to an increase in the number of complaints settled against Bell Atlantic in 1999 (360 closed in 1999 as compared to 212 in 1998) and the reorganization of the CAD discussed earlier in this report. The increase in Bell Atlantic complaints is discussed in detail in the Bell Atlantic Section of this report.

This increase is also demonstrated in the higher complaint rate for Bell Atlantic in 1999, as compared to other telephone utilities, as in Figure IX.

Figure IX



BELL ATLANTIC

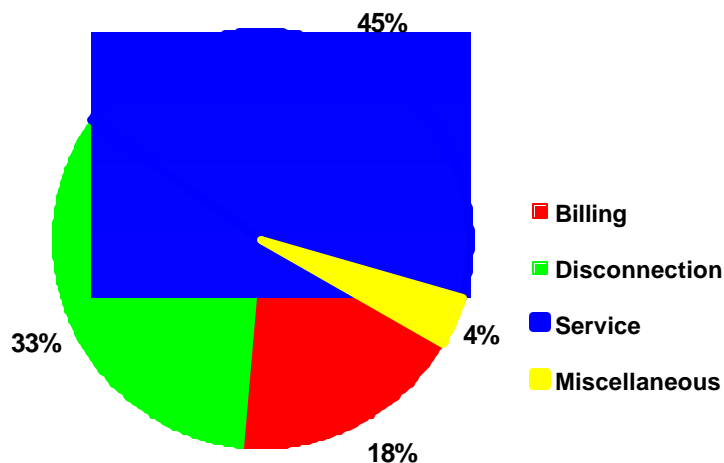
Bell Atlantic had 360 complaints closed against it during 1999, which was up 70% from the 212 complaints closed in 1998. The increase is attributable to a 112% increase in service related cases filed against Bell Atlantic in 1999 compared to 1988. The primary reason for this increase was the implementation of a new process for phone installations by Bell Atlantic. This new process split the task of providing new service between the Network Provisioning Center in Portland that provided dial tone up to the pole, and Bell Atlantic's Customer Center in Burlington Vermont, which dispatched the technician to connect service from the pole to the network interface device. Originally, the same group handled the network installation and the installation of service from the pole to the house. Bell Atlantic experienced communication problems between the Network Dispatch Center and the Customer Dispatch Center that resulted in new phone installation delays. The average installation time increased from 5-7 days

to 15 days resulting in a significant backlog of service installations, which in turn resulted in customer complaints. As a result of the installation backlog and customer complaints, Bell Atlantic reverted back to its old installation process.

As seen in Figure X, of the 360 complaints filed against Bell Atlantic, 33% were related to threatened or actual disconnections, 45% were for service-related issues, and 18% were for billing problems. When compared to 1998, Bell Atlantic's 1999 complaint distribution was significantly effected by the 112% increase in service-related cases (as discussed earlier in this section).

Figure X

1999 Bell Atlantic Closed Complaints by Category

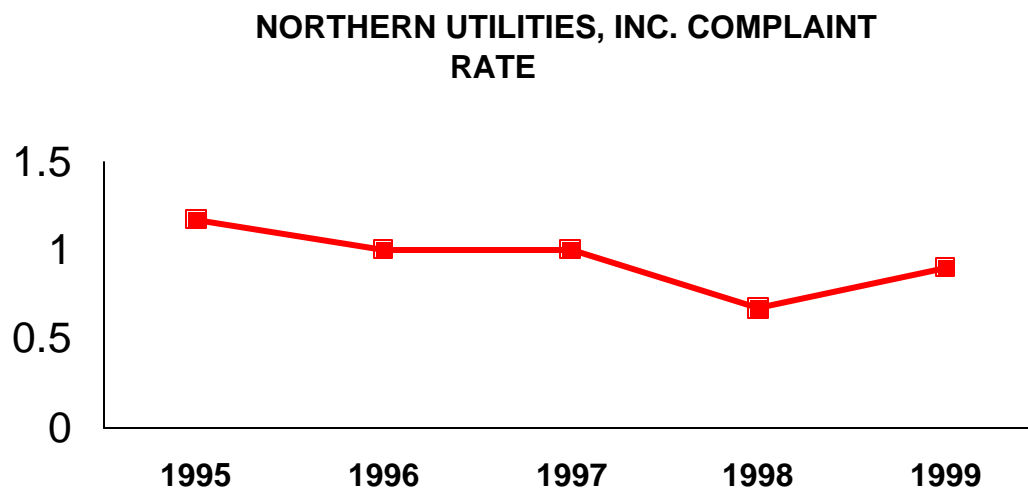


NATURAL GAS INDUSTRY

The sole supplier of natural gas in Maine during 1999 was Northern Utilities, Inc. (NUI). The number of complaints closed against NUI increased from 15 in 1998 to 20 in 1999, a 33% increase. The number of complaints closed in 1999, are similar to the levels experienced during the period from 1995 through 1997.

The complaint rate for NUI, as shown in Figure XI below, decreased to .9 compared to the .69 complaints filed per 1,000 customers in 1998.

Figure XI



VI. LOOKING FORWARD TO 2000

Expectations for 2000 are that consumer contacts will continue to increase as the CAD continues to refine and improve its consumer assistance process and as competition increases in both the telephone and electric industries. The CAD will continue to focus on providing customers with quick and easy access to information regarding their options and responsibilities in a competitive marketplace and provide customers with a fast and efficient means to resolve disputes with utilities. The CAD will also continue to look for ways to improve its complaint resolution process to further reduce the amount of time it takes to resolve disputes and increase the number of customers it is able to assist.

APPENDIX

Consumer Assistance Division
Maine Public Utilities Commission
242 State Street
18 State House Station
Augusta, ME 04333-0018
Ph: (207) 287-3831 / (800) 452-4699
Fax: (207) 287-1039

Consumer Complaints and Inquiries: (800) 452-4699